

Bipartisan Budget Act of 2013

SUMMARY

Senator Murray and Congressman Ryan introduced the Bipartisan Budget Act of 2013 to provide budget certainty through 2014 and 2015. This legislation reduces the deficit by \$20 - 23 billion while also replacing some of the across-the-board sequester cuts in 2014 and 2015 with targeted reforms and more thoughtful spending cuts.

\$63 billion in sequestration relief split evenly between defense and non-defense.

- 2014 discretionary spending increased to \$1.012 trillion (\$40 billion higher than current law)
- 2015 discretionary spending increased to \$1.014 trillion (\$23 billion higher than current law)

\$85 billion in mandatory savings and non-tax revenue over the next ten years.

- Sequestration of mandatory programs is extended through 2022 and 2023 to save \$28 billion

\$20 - 23 billion in net deficit reduction over the next ten years.

ADDITIONAL PROVISIONS

Limitation on Allowable Government Contractor Compensation

Limits the amount contractors can be reimbursed by the federal government to \$487,000, instead of the \$952,308 under current law.

Work Toward Energy Independence

Increased access to offshore energy resources: Approves the US-Mexico Transboundary Hydrocarbon Agreement to improve our ability to develop and explore hydrocarbon reservoirs that cross the maritime international boundary in the Gulf of Mexico.

Rein In Waste, Fraud, and Abuse

- Improves collection of unemployment insurance overpayments
- Requires parents to take personal responsibility for child support in Medicaid population when they can afford to pay
- Restricts access to Death Master File to prevent criminals from stealing personal information from dead people and using it to commit fraud
- Prevents inmates from receiving improper benefits from the federal government
- Cancels unobligated balances within DoJ and Treasury that are no longer needed

Federal Retirement & Healthcare

Increases federal employee contribution by 1.3 percentage points for new employees: Increases the amount that new federal employees will contribute to the retirement program from 3.1% of pay up to 4.4%. There are some federal employees that currently pay 3.3, and they will see an equal increase up to 4.7%.

- State employees in West Virginia contribute 4.5% of their gross salary to the WV Public Employees Retirement System (PERS).
- Before 2013, most federal employees contributed 0.8% of their pay to this retirement program.

Gradually modifies Cost-of-Living-Adjustment (COLA) for working-age, able-bodied military retirees: Reduces the COLA for military retirees under the age of 62 starting in 2015 to one percentage point less than inflation.

Increases premium rates for the Pension Benefit Guaranty Corporation (PBGC): Increases the premiums charged by the PBGC to private employers to address the \$36 billion unfunded liability in the program.

Self-Plus-One coverage: Modernizes federal employee health benefits program to provide Self-Plus-One coverage.

Natural Resources

Amends Mineral Leasing Act: Requires that states receiving mineral revenue payments for mining on federally-owned land help pay the cost of managing the mineral leases.

Caps interest payments on federal oil and gas royalties: Caps the amount of interest payable on royalty overpayments to leaseholders at 110 percent of the amount due.

Cancels funds from Strategic Petroleum Reserve (SPR): Cancels all funds in the SPR Petroleum Account and permanently repeals the authority for energy producers to pay their royalties owed to the federal government with petroleum instead of cash.

Charges development of custom conservation plans: Allows National Resources Conservation Service to charge a fee for technical and financial assistance on the development of custom conservation plans.

Repeals high-impact energy R&D program at NETL: Cancels \$50 million annual funding for the Ultradeep Offshore & Unconventional Onshore Program.

Education, Transportation and Customs

- Reduces compensation for guaranty agencies that rehabilitate loans from FFEL program
- Treat non-profit student loan servicers the same as for-profit servicers
- Increases TSA fees to more accurately cover cost of TSA programs
- Repeals requirement that Maritime Administration reimburse agencies for shipping food aid
- Requires TSA to continue monitoring exits from sterile areas at airports where this service is currently in place
- Allows Bureau of Customs and Border Protection to collect user fees through 2023